# GOVERNMENT OF INDIA
# FINANCE
# LOK SABHA

UNSTARRED QUESTION NO:1504
ANSWERED ON:03.03.2000
PF AND EPF
MOINUL HASSAN AHAMED

**Will the Minister of FINANCE be pleased to state:**

(a) the total accumulated amount of Provident Fund contribution and Employees` Pension Fund stands at present;

(b) the accumulated huge funds have been earmarked for the social sector; and

(c) the manner in which these funds are being utilised?

## Answer

MINISTER OF STATE FOR FINANCE

(SHRI BALASAHEB VIKHE PATIL)

(a): As on 31.3.99, progressive total of Employees Provident Fundcontribution was Rs.65,523.08 crore and that of Employees Pension Fund was Rs.15,586.90 crore.

(b) & (c): These funds are invested in different securities as per the Investment Pattern prescribed by Government.The latest Pattern of Investment is enclosed.

INVESTMENT PATTERN

| | % age be invested | amount |
|---|---|---|
| (i) Central Government Securities as defined in Sec.2 of the Public Debt Act, 1944 (18 of 1944); and/or units of such Mutual Funds which have been set up as dedicated Funds for investment in Government Securities and which have been approved by the Securities and Exchange Board of India; | Twenty Five percent | |
| (ii) (a) Government Securities as defined in Section 2 of the Public Debt Act, 1944 (18 of 1944) created and issued by any State Government; and/or units of such Mutual Funds which have been set up as dedicated Funds for investment in Government Securities and which have been approved by the Securities and Exchange Board of India; and/or | Fifteen percent | |
| (b) Any other negotiable securities the principal whereof and interest whereon is fully and unconditionally guaranteed by the Central Government or any State Government except those covered under iii (a) below. | | |

| | | |
|---|---|---|
| (iii) | (a) Bonds/.Securities of `Public financial institutions` as specified under Section 4(1) of the Companies Act; `public sector companies` as defined in Section 2(36-A) of the Income Tax Act, 1961 including pubic sector banks and the Infrastructure Development Finance Company Limited (IDFC); and/or | Forty percent |
| | (b) Certificate of deposits issued by pubic sector banks. | |
| (iv) | To be invested in any of the above three categories as decided by the Trustees. | Twenty percent |

(v) The Trusts, subject to their assessment of the risk-return prospects, may invest up to 10% out of (iv) above, in private sector bonds/securities which have an investment grade rating from at least two credit rating agencies.

2. Any moneys received on the maturity of earlier investments reduced by obligatory outgoings, shall be invested in accordance with the investment pattern prescribed in this Notification.

3. Interest received on the Special Deposit Scheme shall be invested inthe Special Deposit Scheme itself. Similarly, interest received under other categories may be re-invested in the same category.